

for a grant under this subpart, and of the nature of the project for which assistance has been sought, including a summary description of such project; any comments received by the applicant from the clearinghouse pursuant to such notification shall be considered by the applicant and shall be included in or attached to the application;

(r) *Accessibility by handicapped.* That the applicant shall require the facility to be designed to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A117.1-1961, as modified by other standards prescribed by the Secretary or the Administrator of General Services. The applicant shall be responsible for conducting inspections to insure compliance with these specifications by the contractor; and

(s) *Minimum standards of construction and equipment.* That the plans and specifications for the project will conform to the minimum standards of construction and equipment as set forth in appendix A of this subpart.

The Secretary may at any time approve exceptions to the foregoing terms and conditions where he finds that such exceptions are not inconsistent with part B of title VII of the Act and purposes of the program.

§ 57.108 Construction contract requirements.

The following conditions and provisions must be included in all construction contracts:

(a) The provisions set forth in "DHHS Requirements for Federally Assisted Construction Contracts Regarding Labor Standards and Equal Employment Opportunities", Form DHHS 514 (April, 1969) (issued by the Office of Grants Administration Policy, U.S. Department of Health and Human Services) pertaining to the Davis-Bacon Act, the Contract Work Hours Standards Act, and the Copeland Act (Anti-Kickback) Regulations, except in the case of contracts in the amount of \$2,000 or less; and pertaining to Executive Order 11246, 30 FR 12319 (September 24, 1965), as amended, relating to nondiscrimination in construction contract employment, except in the case

of contracts in the amount of \$10,000 or less;

(b) The contractor shall furnish performance and payment bonds, each of which shall be in the full amount of the contract price, and shall maintain, during the life of the contract, adequate fire, workmen's compensation, public liability, and property damage insurance: *Provided however*, That in the case of a State or local unit of government which enters into a construction contract of less than \$100,000, State or local provisions with respect to performance and payment bonds shall be deemed to meet the requirements of this paragraph; and

(c) The Secretary shall have access at all reasonable times to work wherever it is in preparation or progress, and the contractor shall provide proper facilities for such access and inspection.

§ 57.109 Good cause for other use of completed facility.

If, within 20 years after completion of construction (or, in the case of interim facilities prior to the time at which teaching in such facilities is moved to a permanent facility, whichever comes first), the facility shall cease to be used for any one or more of the purposes for which it was constructed, the Secretary, in determining whether there is good cause for releasing the applicant or other owner of the facility from the obligation so to use the facility, shall take into consideration the extent to which:

(a) The facility will be devoted by the applicant or other owner to the teaching of other health personnel, or to other purposes in the sciences related to health for which funds are available under part B of title VII of the Act and these regulations;

(b) A hospital or outpatient facility will be used as provided for under title VI of the Act;

(c) There are reasonable assurances that for the remainder of such period other facilities not previously utilized for teaching health professions personnel, or for research and related purposes in the sciences related to health, or for medical library purposes, as the case may be, will be so utilized and are substantially the equivalent in nature and extent for such purposes.

§ 57.110 Acquisition of facilities.

In addition to the other requirements of this subpart the following provisions are also applicable to the acquisition of existing facilities:

(a) *Minimum standards of construction and equipment.* That a determination by the Secretary that the facility conforms (or upon completion of any necessary construction will conform) to the minimum standards of construction and equipment as set forth in appendix A of this subpart, shall be obtained before entering into a final or unconditional contract for such acquisition. Where the Secretary finds that exceptions to or modification of any such minimum standards of construction and equipment would be consistent with the purposes of part B of title VII of the Act and of the program, he may authorize such exceptions or modifications;

(b) *Estimated cost of acquisition and remodeling: suitability of facility.* Each application for a project involving the acquisition of existing facilities shall include in the detailed estimates of the cost of the project, the cost of acquiring such facilities, and any cost of remodeling, renovating or altering such facilities to serve the purposes for which they are acquired. Such application shall demonstrate to the satisfaction of the Secretary that the architectural, structural and other pertinent features of the facility, as modified by any proposed expansion, remodeling, renovation, or alteration, will be clearly suitable for the purposes of the program, and, to the extent of the costs in which Federal participation is requested, are not in excess of what is necessary for the services proposed to be provided in such facilities;

(c) *Determination of necessary cost.* The necessary cost of acquisition of existing facilities will be determined on the basis of such documentation submitted by the applicant as the Secretary may prescribe (including the reports of such real estate appraisers as the Secretary may approve) and other relevant factors;

(d) *Bona fide sale.* Federal participation in the acquisition of existing facilities is on condition that such acquisition constitutes a bona fide sale involving an actual cost to the applicant

and will result in additional or improved facilities for purposes of the program; and

(e) *Facility which has previously received Federal grant.* No grant for the acquisition of a facility which has previously received a Federal grant for construction, acquisition, or equipment shall serve either to reduce or restrict the liability of the applicant or any other transferor or transferee from any obligation of accountability imposed by the Federal Government by reason of such prior grant.

§ 57.111 Additional conditions.

The Secretary may with respect to any grant award impose additional conditions prior to or at the time of any award when in his judgment such conditions are necessary to assure or protect advancement of the approved project, the interest of public health or the conservation of grant funds.

§ 57.112 Early termination and withholding of payments.

Whenever the Secretary finds that a grantee has failed in a material respect to comply with the applicable provisions of the Act, the regulations of this subpart or the terms of the grant, he may, on reasonable notice to the grantee, withhold further payments, and take such other action, including the termination of the grant, as he finds appropriate to carry out the purposes of the applicable provisions of the Act and regulations. Noncancellable obligations of the grant properly incurred prior to the receipt of the notice of termination will be honored. The grantee shall be promptly notified of such termination in writing and given the reasons therefor.

APPENDIX A TO SUBPART B—MINIMUM STANDARDS OF CONSTRUCTION AND EQUIPMENT

The minimum standards of construction and equipment set forth below have been established by the Secretary as required by section 727 of the Act. In accordance with 5 U.S.C. 552(a)(1), the publications to which reference is made in this appendix A, unless otherwise indicated, are hereby incorporated by reference and made a part hereof. These documents are available for inspection at the Department's and Regional Offices' Information Centers listed in 45 CFR 5.31 and